

Assigned DOGM File No.: S0270112 0001
DOGM Lead: John Rogers
Permit Fee \$ 150.00 Ck # 1095

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

Note on confidentiality: Information provided in the notice of intention relating to the location, size, or nature of the mineral deposit that is clearly marked confidential will be protected as confidential. Each page or map requested to be kept confidential must be stamped or marked as such. The requested confidential information must describe how the confidential material relates to the location size or nature of the mineral deposit; provide a written claim of business confidentiality; and/or include a concise statement of reasons supporting the claim of business confidentiality, unless disclosing the location of explosives or historic, prehistoric, paleontological, or biological resource that must be considered confidential under statute.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

I. GENERAL INFORMATION (Rule R647-3-104)

1. Name of Mine: Red Wheeler, ML 51687
2. Legal name of entity (or individual) for whom the permit is being requested: _____
American Trilobite Suppliers INC.
Mailing Address: 10496 Raining Sky St.
City, State, Zip: Las Vegas, NV, 89178
Phone: (435) 770-2909 Fax: _____
E-mail Address: Americantrilobite@gmail.com

Type of Business: Corporation ☒ LLC () Sole Proprietorship (dba) ()
Partnership () General _____ or _____ limited
Or:
Individual ()

Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) www.commerce.utah.gov.

Are you currently registered to do business in the State of Utah? ☒ Yes ☐ No

Entity # 6067363-0142

If no, contact www.commerce.utah.gov to renew or apply.

Local Business License # _____ (if required)
Issued by: County _____ or City _____

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3.

Contact Person

Name: _____ Title: _____
 Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 Emergency, Weekend, or Holiday Phone: _____
 E-mail Address: _____

Contact person to be notified for: permitting () surety () Notices () (please check all that apply)

Name: _____ Title: _____
 Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 Emergency, Weekend, or Holiday Phone: _____
 E-mail Address: _____

Contact person to be notified for: permitting () surety () Notices () (please check all that apply)

Registered Utah Agent (as identified with the Utah Department of Commerce) (if individual leave blank):

Name: _____
 Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____

4.

If Business is a Sole Proprietor:

Name of Owner: _____ Title: _____
 Business Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____

If Business is a Corporation:

Name of Officers: Jacob Skabelund Title: President
 _____ Title: _____
 _____ Title: _____
 _____ Title: _____
 Headquarters Address: 1265 Cliffside Dr.
 City, State, Zip: Logan UT 84321
 Headquarters Phone: (435) 770-2909 Fax: _____
 E-mail Address: americantrilobite@gmail.com

If Business is a Limited Liability Company: Member Managed G Manager Managed G

Name of 1st Member/Manager: _____ Title: _____
 Business Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____

Name of 2nd Member/Manager: _____
 Business Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____

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If Business is a Partnership:

Name of Partner: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

5. **Ownership of Land Surface:**

Private (Fee) ☐ Public Domain (BLM) ☐ National Forest (USFS) ☐
State Trust Land/School Sections ☒ State Sovereign Lands ☐
Other (please describe): _____

Name _____ Address _____
Name _____ Address _____
Name _____ Address _____
Name _____ Address _____

6. **Ownership of Minerals:**

Private (Fee) ☐ Public Domain (BLM) ☐ National Forest (USFS) ☐
State Trust Land/School Sections ☒ State Sovereign Lands ☐
Other (please describe): _____

Name _____ Address _____
Name _____ Address _____
Name _____ Address _____
Name _____ Address _____

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): _____

BLM Claim Numbers _____

Utah State Lease Number(s): ML 51687, 49599, 48944, 51739

Name of Lessee(s): Jake Skabelund, Dan Cooper

7. **Have the above surface and mineral owners been notified in writing?**

Yes ☒ No ☐

If no, why not? _____

*Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration **prior** to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.*

8. **Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice?** Yes ☒ No ☐

11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act.

Are variances being requested? Yes ☐ No ☒

1st Variance Requested

Item # _____ Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed)

Justification: _____

Alternate methods or measure to be utilized: _____

2nd Variance Requested

Item # _____ Applicable Rule # _____

Justification: _____

Alternate methods or measure to be utilized: _____

3rd Variance Requested

Item # _____ Applicable Rule # _____

Justification: _____

Alternate methods or measure to be utilized: _____

Attach additional page if more variances are requested.

VI. SURETY (Utah Code Ann. §40-8-7(1)[c])

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing. The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)(c)).

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The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. **Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.**

VII. PERMIT FEE (Utah Code Ann. §40-8-7(1)(i))

A permittee's authorization under a notice of intention to conduct small mining operations shall require the paying of permit fees as authorized by the Utah Legislature (R647-3-102.5). Permit fees are assessed to new and existing small mining operations, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Small Mine Notices require a \$150.00 fee, which must accompany this application, or the Division cannot process it.

VIII. SIGNATURE REQUIREMENT

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. **This certification must be signed by:** (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; **or** (4.) the member or manager if applicant is a limited liability company.

Signature: Take Skabelund Date: 12/28/09
Name (typed or printed): Take Skabelund
Title/Position (if applicable): _____

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Supplementary Legal Description

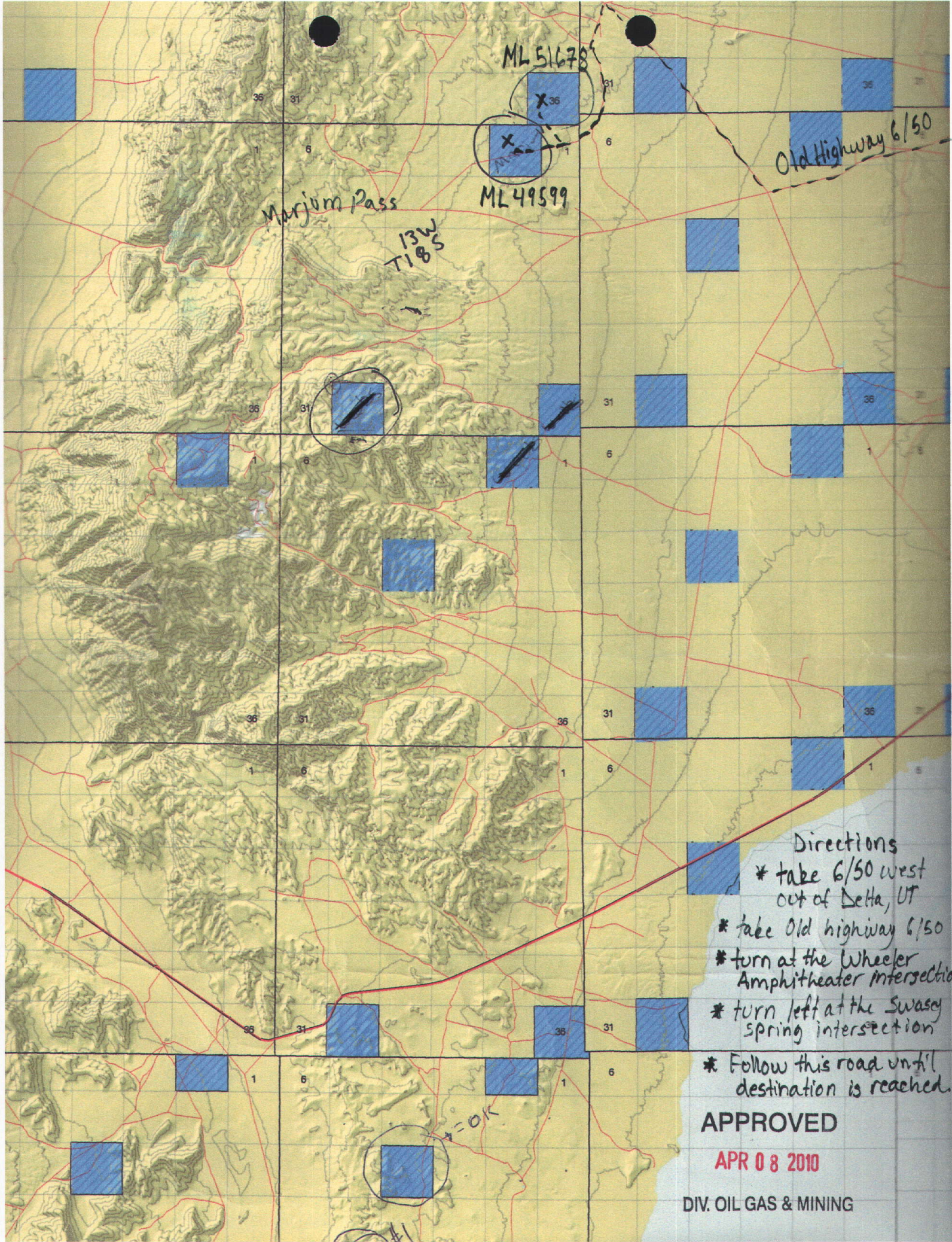
| SITLA Lease | 1/4 | 1/4 | 1/4 | Section | Township | Range | Notes |
|-------------|-----|-----|-----|---------|----------|-------|--|
| ML 51687 | | SW | NW | 36 | 17 S | 13 W | Existing "Red Wheeler" Mine |
| | | NW | SW | 36 | 17 S | 13 W | |
| ML 48944 | | NE | NW | 2 | 18 S | 13 W | "ML 48944 & ML 49599" Mine (pending transfer) |
| ML 49599 | | NW | NW | 2 | 18 S | 13 W | "ML 48944 & ML 49599" Mine (pending transfer) |
| | | NW | SW | 2 | 18 S | 13 W | |
| | | NE | SW | 2 | 18 S | 13 W | |
| ML 51739 | | NW | SE | 2 | 18 S | 13 W | Additional lease to add |
| | | SE | NE | 2 | 18 S | 13 W | |
| | | SW | NE | 2 | 18 S | 13 W | |
| | | NE | NE | 2 | 18 S | 13 W | |

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Description provided using SITLA map resources at: <http://tlamap.trustlands.utah.gov/plat/MapView.aspx>



Marjum Pass

13W
T18S

ML 51678

ML 49599

Old Highway 6/50

Directions

- * take 6/50 west out of Delta, UT
- * take Old highway 6/50
- * turn at the Wheeler Amphitheater intersection
- * turn left at the Swasey Spring intersection
- * Follow this road until destination is reached.

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↑
N

T17S R13W

| | | | |
|---------------------------|--|--|--|
| | | | |
| X > test Excavation sites | | | |
| | | | |
| | | | |

Road to Decorative Stone Quarry

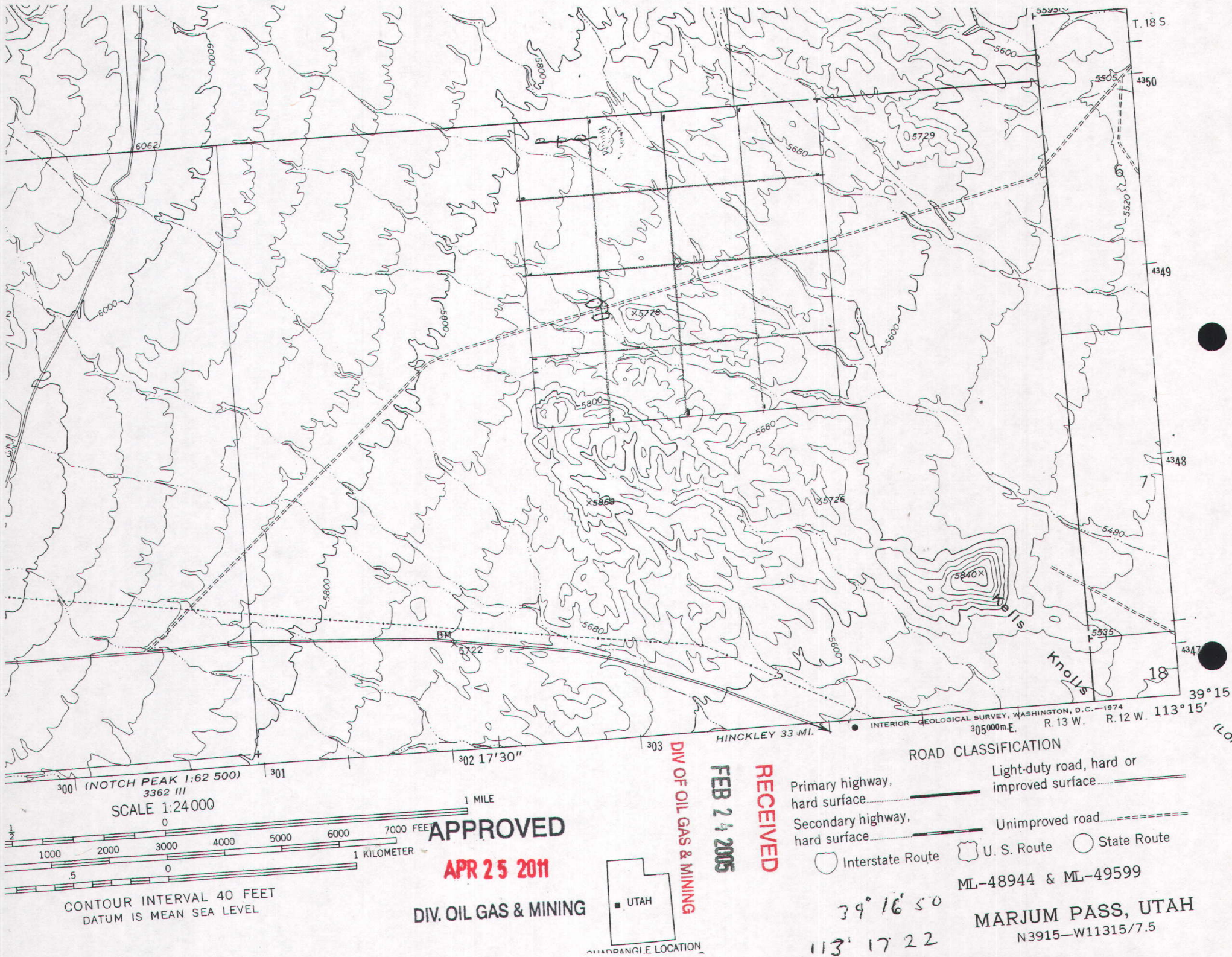
Section 36

*Excavations will each amount to no more than 50' x 50' constituting a total disturbed area of well under a half acre.

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QUADRANGLE LOCATION

ROAD CLASSIFICATION



Primary highway,
hard surface.....

Secondary highway,
hard surface.....

 Interstate Route

Light-duty road, hard or improved surface.....

Unimproved road

 U. S. Route  State Route

ML-48944 & ML-49599

MARJUM PASS, UTAH

N3915-W11315/7.5